

**UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, MARSHALL COUNTY, KANSAS
AUDIT REPORT JUNE 30, 2012**

EIN: 48-0720068

**KICKHAEFER & ASSOCIATE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
MARYSVILLE, KANSAS 66508**

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

FINANCIAL STATEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

FINANCIAL INFORMATION

KICKHAEFER & ASSOCIATE, P.A.
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INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENT

Board of Education
Unified School District No. 364
Marysville, Kansas 66508

We have audited the summary statement of cash receipts, expenditures, and unencumbered cash balances and the discretely presented component unit for the Unified School District No. 364, Marysville, Kansas, as of and for the year ended June 30, 2012, which collectively comprise the district's basic financial statement as listed in the table of contents. This financial statement is the responsibility of the Unified School District No. 364, Marysville, Kansas' management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of The United States, and the *Kansas Municipal Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

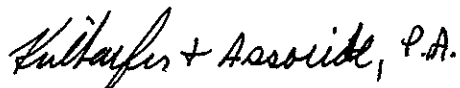
As described in note 1.C, the Unified School District No. 364, Marysville, Kansas, prepares its financial statement using accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statement of the variances between these statutory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statement referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 364, Marysville, Kansas, as of June 30, 2012, or the respective changes in financial position and changes in cash flows, where applicable, for the year then ended.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District No. 364, Marysville, Kansas, as of June 30, 2012, and the aggregate cash receipts and expenditures for the year then ended, on the basis of accounting described in note 1.C.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 10, 2012, on our consideration of the Unified School District No. 364, Marysville, Kansas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statement. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. The summary of expenditures-actual and budget, individual fund schedules of cash receipts and expenditures, agency funds, and other information identified in the table of contents as supplementary information are presented for analysis and are not a required part of the statutory financial statement. Such information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. The schedule of expenditures of federal awards and the supplementary information have been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statement as a whole on the basis of accounting described in note 1.C.



Kickhaefer & Associate, P.A.
Marysville, Kansas
October 10, 2012

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 1
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SUMMARY OF CASH RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

FUND GOVERNMENTAL TYPE FUNDS:	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELLED ENCUMBRANCES	CASH RECEIPTS	EXPENDITURES	UNENCUMBERED CASH BALANCE	ADD OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
GENERAL	\$ 0.06	\$ 0.00	\$ 5,098,267.27	\$ 5,098,267.33	\$ 0.00	\$ 51,783.89	\$ 51,783.89
SUPPLEMENTAL GENERAL	84,925.69	0.00	1,813,615.21	1,759,193.00	139,347.90	44,541.54	183,889.44
SPECIAL REVENUE FUNDS:							
AT-RISK FUND (K-12)	0.00	0.00	475,486.75	475,486.75	0.00	17,650.70	17,650.70
CAPITAL OUTLAY	581,176.65	0.00	601,750.18	396,024.05	786,902.78	27,930.94	814,833.72
DRIVER TRAINING	20,684.04	0.00	3,732.00	8,458.23	15,957.81	0.00	15,957.81
ADULT EDUCATION	733.66	0.00	0.00	733.66	0.00	0.00	0.00
FOOD SERVICE	76,968.51	0.00	510,012.78	511,957.96	75,023.33	17,842.64	92,865.97
PROFESSIONAL DEVELOPMENT	2,500.00	0.00	30,030.67	30,030.67	2,500.00	425.00	2,925.00
SPECIAL EDUCATION	489,707.06	0.00	1,451,064.81	1,457,830.81	482,941.06	0.00	482,941.06
AT-RISK FUND (4 YR OLD)	0.00	0.00	76,900.18	76,900.18	0.00	4,331.64	4,331.64
VOCATIONAL EDUCATION	0.00	0.00	327,036.54	327,036.54	0.00	9,536.71	9,536.71
KPERS SPECIAL RETIREMENT CONTRIBUTION	0.00	0.00	632,540.26	632,540.26	0.00	0.00	0.00
COOP SPECIAL EDUCATION	0.00	0.00	2,476,623.80	2,476,623.80	0.00	121,777.15	121,777.15
CONTINGENCY RESERVE	218,954.00	0.00	0.00	0.00	218,954.00	0.00	218,954.00
TEXTBOOK & STUDENT MATERIAL REVOLVING	178,113.38	0.00	42,670.97	44,556.02	176,228.33	29,217.06	205,445.39
CAMP INVENTION	354.20	0.00	8,449.80	8,804.00	0.00	0.00	0.00
TITLE I - FY 12	0.00	0.00	129,146.00	129,146.00	0.00	5,520.60	5,520.60
TITLE II-A - IMPROVING TEACHER QUALITY	0.00	0.00	33,788.00	33,788.00	0.00	0.00	0.00
SAFE & SUPPORTIVE SCHOOLS	0.00	0.00	2,577.92	2,277.92	300.00	243.92	543.92
KIDS UNIVERSITY	17,202.67	0.00	21,445.40	21,517.55	17,130.52	0.00	17,130.52
WORKFORCE INVESTMENT ACT	0.00	0.00	35,950.85	35,950.85	0.00	990.32	990.32
GATE RECEIPT FUNDS	22,545.39	0.00	66,929.48	62,329.09	27,145.78	0.00	27,145.78
SCHOOL PROJECT FUNDS	45,397.99	0.00	205,565.30	139,834.84	111,128.45	0.00	111,128.45

(CONT.)

THE NOTES TO THE FINANCIAL STATEMENT ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
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STATEMENT 1
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SUMMARY OF CASH RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

FUND GOVERNMENTAL TYPE FUNDS (CONT.)	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELLED ENCUMBRANCES	CASH RECEIPTS	EXPENDITURES	UNENCUMBERED CASH BALANCE	ADD OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
DEBT SERVICE:							
BOND AND INTEREST	\$ 191,236.42	\$ 0.00	\$ 108.28	\$ 0.00	\$ 191,344.70	\$ 0.00	\$ 191,344.70
DEBT SERVICE FUND	0.01	0.00	213,908.33	134,741.67	79,166.67	0.00	79,166.67
CAPITAL IMPROVEMENT FUNDS:							
CAPITAL IMPROVEMENT FUND	627,072.52	0.00	16.71	627,089.13	0.10	0.00	0.10
FIDUCIARY TYPE FUNDS:							
EXPENDABLE TRUSTS:							
GRANTS FUND	4,628.74	0.00	9,420.00	4,878.32	9,170.42	0.00	9,170.42
U.S.D. NO. 364 SCHOLARSHIP FUND	6,748.16	0.00	838.06	700.00	6,886.22	0.00	6,886.22
HOMER HANSON STADIUM RENOVATION	0.00	0.00	105,691.00	7,287.55	98,403.45	0.00	98,403.45
TOTAL PRIMARY GOVERNMENT	2,548,949.15	0.00	14,373,566.55	14,503,984.18	2,418,531.52	331,792.11	2,750,323.63
COMPONENT UNIT:							
U.S.D. NO. 364 FOUNDATION	281,317.68	0.00	11,630.12	8,706.00	284,241.80	0.00	284,241.80
TOTAL REPORTING ENTITY (Excluding Agency Funds)	\$ 2,830,266.83	\$ 0.00	\$ 14,385,196.67	\$ 14,512,690.18	\$ 2,702,773.32	\$ 331,792.11	\$ 3,034,565.43

(CONT.)

THE NOTES TO THE FINANCIAL STATEMENT ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
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STATEMENT 1
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SUMMARY OF CASH RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	ENDING CASH BALANCE
COMPOSITION OF CASH:	
CASH IN BANK, UNITED BANK & TRUST, MARYSVILLE, KANSAS--	
- NOW CHECKING ACCOUNTS: #1244951, #1244940, #1244896	\$ 2,750,330.53
CASH IN BANK, CITIZENS STATE BANK, MARYSVILLE, KANSAS--	
- QZAB SINKING FUND ACCOUNT #193391	79,166.67
- MONEY MARKET ACCOUNT #610436 - SCHOLARSHIP FUND	6,586.22
TOTAL CASH	2,836,083.42
INVESTMENTS AT COST	
BANK OF KANSAS CITY, KANSAS CITY, MISSOURI	
MONEY MARKET FUND INVESTED IN CAVANAL HILL US TREASURY	0.10
#819128026, #819128018	2,836,083.52
TOTAL DISTRICT CASH AND INVESTMENTS	(85,759.89)
LESS AGENCY FUNDS PER SCHEDULE 3	2,750,323.63
TOTAL PRIMARY GOVERNMENT CASH AND INVESTMENTS(Excluding Agency Funds)	
COMPONENT UNIT - U.S.D. NO. 364 FOUNDATION	
CASH IN BANK, CITIZENS STATE BANK, MARYSVILLE, KANSAS--	
- CHECKING ACCOUNT #193185	3,715.87
- CERTIFICATE OF DEPOSIT #19944, DUE 08/27/12, 1.1%	7,018.71
- CERTIFICATE OF DEPOSIT #19943, DUE 08/28/12, .8%	39,757.80
- CERTIFICATE OF DEPOSIT #19945, DUE 08/28/12, 1.1%	54,227.67
- CERTIFICATE OF DEPOSIT #9907, DUE 09/10/12, 1.0%	10,682.83
- CERTIFICATE OF DEPOSIT #2072, DUE 02/11/13, 1.2%	4,351.57
- CERTIFICATE OF DEPOSIT #15875, DUE 11/04/13, 4.0%	10,610.03
- CERTIFICATE OF DEPOSIT #13117, DUE 02/06/16, 3.0%	10,754.52
- CERTIFICATE OF DEPOSIT #13268, DUE 05/06/16, 2.25%	5,206.05
- CERTIFICATE OF DEPOSIT #14768, DUE 07/02/12, 5.35%	4,248.30
- CERTIFICATE OF DEPOSIT #15170, DUE 02/25/13, 4.0%	15,000.84
- CERTIFICATE OF DEPOSIT #20955, DUE 02/24/13, 1.8%	20,330.70
- CERTIFICATE OF DEPOSIT #20970, DUE 03/08/13, .65%	10,828.34
- CERTIFICATE OF DEPOSIT #22834, DUE 12/30/12, 1.2%	1,760.79
- CERTIFICATE OF DEPOSIT #23635, DUE 10/19/12, 1.1%	15,375.91
- CERTIFICATE OF DEPOSIT #26634, DUE 07/22/12, 1.0%	1,000.00
- CERTIFICATE OF DEPOSIT #25846, DUE 05/06/14, 1.2%	39,203.28
- CERTIFICATE OF DEPOSIT #26257, DUE 12/10/12, 2.9%	17,083.27
- CERTIFICATE OF DEPOSIT #22501, DUE 11/29/12, 2.4%	13,085.32
SUBTOTAL U.S.D. NO. 364 FOUNDATION	284,241.80
TOTAL REPORTING ENTITY CASH AND INVESTMENTS(Excluding Agency Funds)	\$ 3,034,565.43

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Unified School District No. 364 is a municipal corporation governed by an elected seven-member board. These financial statements present Unified School District No. 364 (the primary government) and its component unit. The component unit is included in the unified school district's reporting entity because of the significance of its operational and financial relationship with the unified school district.

Discretely presented component unit--the component unit section of the financial statements includes the financial data of the discretely presented component unit. This component unit is reported separately to emphasize that it is legally separate from the unified school district.

1. The U.S.D. #364 Foundation--this foundation is a nonprofit corporation organized for charitable and educational purposes to provide support for the educational programs in Unified School District No. 364.

B. Fund accounting

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following types of funds comprise the financial activities of the district for the fiscal year 2012:

Governmental funds

General fund--to account for all financial resources except those required to be accounted for in another fund.

Special revenue funds--to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditure for specified purposes.

Capital projects fund--to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds).

Debt service funds--to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

UNIFIED SCHOOL DISTRICT NO. 364
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NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. Fund Accounting (cont.)

Fiduciary funds

Trust and agency funds--to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include (a) expendable trust funds, (b) nonexpendable trust funds, (c) pension trust funds, and (d) agency funds.

C. Basis of Accounting

Statutory Basis of Accounting--The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The school district has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirements for application of generally accepted accounting principles and allowing the school district to use the statutory basis of accounting.

Departure from Accounting Principles Generally Accepted in the United States of America--The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expense and liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary, notes, and compensated absences are not presented in the financial statements.

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
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NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. Reimbursements

USD #364 records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

E. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding fiscal year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The KPERS fund was amended from \$430,335 to \$659,709 for this fiscal year. The maximum legal budget per the State Board of Education was set at \$5,009,634 for General Fund on June 21, 2012.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

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NOTES TO THE FINANCIAL STATEMENT
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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

E. Budgetary Information (cont.)

A legal operating budget is not required for capital projects funds, fiduciary funds, permanent funds, and the following special revenue funds: Contingency Reserve, Textbook and Student Revolving, and all federal programs and grant funds. Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

F. Property Tax

The county clerk calculates the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the clerk certifies the tax roll to the county treasurer, who prepares tax statements and receives payment.

Taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 21st and May 11th. Delinquent taxes were assessed interest at 7% per annum for the calendar year 2012, and 7% per annum for calendar year 2011. This interest is retained by the county.

Taxes levied to finance the budget are made available to the district after January 1st and are distributed by the county treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

2. DEPOSITS AND INVESTMENTS

As of June 30, 2012, Unified School District #364 had the following investments and maturities.

Investment Type	Cost	Fair Value	Rating
Cavanal Hill Treasury Fund	\$ 0.10	\$ 0.10	AAA by S&P
Money Market Mutual Fund which doesn't have a maturity date. Funds may be drawn down at any time.			

K.S.A. 9-1401 establishes the depositories which may be used by the school district. The statute requires banks eligible to hold the district's funds have a main or branch bank in the county in which the district is located, or in an adjoining county if the institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. USD #364 has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the district's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes;

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NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2012

2. DEPOSITS AND INVESTMENTS (cont.)

no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The district has no investment policy that would further limit its investment choices. The rating of the school district's investment is noted above.

Concentration of credit risk. State statutes place no limit on the amount the district may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The district's allocation of investments as of June 30, 2012, is as follows:

<u>Investments</u>	<u>Percentage of Investments</u>
Cavanal Hill US Treasury	100%

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the district's deposits may not be returned to it. State statutes require the district's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2012.

At June 30, 2012 the carrying amount of the district's deposits, including certificates of deposits, was \$3,120,325.22. The bank balance was \$3,501,672.28. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$585,752.89 was covered by FDIC insurance and \$2,915,919.39 was collateralized with securities held by the pledging financial institution's agent in the district's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the school district will not be able to recover the value of its investments that are in the possession of an outside party. State statutes require investments to be adequately secured. At June 30, 2012, the school district had invested \$.10 in the Money Market Funds of the Bond Trustee, Bank of Kansas City, which is secured by U.S. Government Securities.

3. IN-SUBSTANCE RECEIPT IN TRANSIT

The school district received \$227,517.00 in the General Fund subsequent to June 30, 2011 and \$212,286.00 subsequent to June 30, 2012. The Supplemental General fund received \$17,967.00 subsequent to June 30, 2011, and \$6,278.00 subsequent to June 30, 2012, and as required by K.S.A. 72-6417 and 72-6434 the receipts were recorded as in-substance receipts in transit and included as receipts for the respective years.

4. LONG-TERM DEBT

The district has no outstanding long-term debt as of June 30, 2012. However, Unified School District #364 entered into a lease purchase agreement with the Bank of Kansas City, Kansas City, Missouri for energy improvements. The energy improvements were funded by Qualified Zone Academy Bonds which were purchased by two local banks. The QZAB Series 2010A have a tax credit of 5.85% and the QZAB Series 2010B have an interest rate of 5.85%. The lease purchase agreement is set up for basic rent payments and to be limited to payment from available revenues and will constitute a current

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NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2012

4. LONG-TERM DEBT (cont.)

expense of the district and not debt of the district. The Series 2010A basic principal payments are put in a QZAB Sinking Fund of the district each year in order to pay the full \$950,000 in the final year 2022. Since no payments are actually paid out till that date, the principal remains the same till the final year. The Series 2010B basic principal payments are paid to the local bank each year and the U.S. Government pays the interest amount. The schedule of basic rent payments as of June 30, 2012, for the Series 2010A and Series 2010B Certificates are shown below for informational purposes.

ISSUE	INTEREST RATES	DATE OF ISSUE	AMOUNT OF ISSUE	DATE OF FINAL MATURITY	BEGINNING PRINCIPAL OUTSTANDING	ADDITIONS TO PRINCIPAL	REDUCTIONS OF PRINCIPAL	NET CHANGE IN PRINCIPAL	ENDING PRINCIPAL OUTSTANDING	INTEREST PAID
LEASE PURCHASE AGREEMENT WITH BANK OF KANSAS CITY										
QUALIFIED ZONE ACADEMY BONDS										
CERTIFICATE OF PARTICIPATION										
SERIES 2010A	5.85% TAX CREDIT	12/29/2010	950,000.00	12/29/2022	\$ 950,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 950,000.00	\$ 0.00
SERIES 2010B	5.85%	12/29/2010	950,000.00	12/29/2022	950,000.00	0.00	79,166.67	(79,166.67)	870,833.33	0.00
					\$ 1,900,000.00	\$ 0.00	\$ 79,166.67	\$ (79,166.67)	\$ 1,820,833.33	\$ 0.00

Current maturities of the basic rent payment schedule showing principal and interest for the next five years and in five year increments through maturity are as follows:

	YEAR								
	2013	2014	2015	2016	2017	2018-2022	2023-2027	TOTAL	
PRINCIPAL									
ENERGY IMPROVEMENT LEASE:									
QZAB SERIES 2010A	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 950,000.00	\$ 950,000.00	
QZAB SERIES 2010B	79,166.67	79,166.67	79,166.67	79,166.67	79,166.67	395,833.35	79,166.63	870,833.33	
TOTAL PRINCIPAL	79,166.67	79,166.67	79,166.67	79,166.67	79,166.67	395,833.35	1,029,166.63	1,820,833.33	
INTEREST									
ENERGY IMPROVEMENT LEASE:									
QZAB SERIES 2010A	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
QZAB SERIES 2010B	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL INTEREST	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL PRINCIPAL AND INTEREST	\$ 79,166.67	\$ 79,166.67	\$ 79,166.67	\$ 79,166.67	\$ 79,166.67	\$ 395,833.35	\$ 1,029,166.63	\$ 1,820,833.33	

5. INTERFUND TRANSFERS

<u>From</u>	<u>To</u>	<u>Authority</u>	<u>Amount</u>
General Fund	At Risk Fund (K-12)	K.S.A. 72-6428	\$ 475,486.75
General Fund	Food Service Fund	K.S.A. 72-6428	22,143.07
General Fund	Professional Dev. Fund	K.S.A. 72-6428	29,325.01
General Fund	At Risk Fund (4Year Old)	K.S.A. 72-6428	76,166.52
General Fund	Special Education Fund	K.S.A. 72-6428	1,445,793.00
General Fund	Vocational Education Fund	K.S.A. 72-6428	320,911.83
Special Education Fund	Coop Special Education	K.S.A. 72-6420	1,457,830.81

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2012

6. DEFINED BENEFIT PENSION PLAN

Plan description. The Unified School District No. 364, Marysville, Kansas, participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% or 6% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas currently contributes 9.77% of covered payroll. These contribution requirements are established by KPERS and are periodically revised. Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2012, 2011, and 2010 were \$298,635,383, \$253,834,044, and \$248,468,186, respectively, equal to the required contributions for each year.

7. FRINGE BENEFITS

Each teacher shall be entitled once annually to elect to have a portion of the teacher's salary set aside on a Plan 125 not to exceed, \$10,000. The plan may pay for group health insurance, cash, or the following programs: term life insurance up to \$50,000.00, salary protection insurance, child care, and supplemental medical insurance such as dental, vision, and cancer.

The district will participate in the State of Kansas Employee Healthcare Program for school districts for as long as the district meets the requirements to participate. If for some reason the district does not meet the participation enrollment requirements all new employees will be required to enroll in the district health insurance. If the district no longer qualifies to participate in the state health insurance program, the district will contribute a matching amount to a new health insurance plan.

8. OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, the school district allows retirees to participate in the group health plan. While each retiree pays the full amount of the applicable premium, conceptually, the district is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the district makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid by the insured. There is no cost to the district under this program.

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2012

9. COMPENSATED ABSENCES

The District's policies regarding vacation and sick leave are: Each full time teacher shall earn 12 full days of leave each school year accumulative to 102 days; the superintendent is allowed twelve days leave accumulative to 102 days and 12 days vacation; the principals are allowed twelve days leave accumulative to 102 days; district employees who have a nine month contract are allowed six days sick leave accumulative to 100 days; district employees who have over a nine month contract are allowed an extra day per month; ten days sick leave accumulative to 100 days; the custodians, secretaries, and U.S.D. clerk who have a twelve month contract are allowed 10 sick days and 5 days of vacation the first year of employment and 10 days of vacation thereafter; the director of building and grounds and the director of transportation are allowed 10 sick days accumulative to 100 and 12 days of vacation; the director of technology is allowed 12 days sick leave and 12 days vacation accumulative to 102 days.

Liability for compensated absences is not reflected in the financial statements.

10. TERMINATION BENEFITS

Unified School District #364 provided for an early retirement program at the end of FY09 for eligible certified staff. Compensation would be paid according to the schedule in the addendum to FY09 Negotiated Agreement. The program provides for one payment on August 1 or two payments (August 1 and February 1). The Board of Education passed a similar early retirement schedule for FY11 and one employee took advantage of early retirement. Payments made or encumbered for retired employees under these plans were \$0.00 for the year ended June 30, 2012. The district usually encumbers the money for retirees but did not in this fiscal year.

11. COMMITMENTS AND CONTINGENCIES

Litigation

As of the audit date, there is no pending or threatened litigation which involves the Unified School District No. 364.

Grant program involvement

In the normal course of operations, the District participates in various Federal or State grant programs from year to year. The grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
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NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2012

12. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Finance-Related Legal and Contractual Provisions

K.S.A. 75-3317 thru K.S.A. 75-3322 requires school districts to purchase needed products from Kansas industries for the blind and severely disabled if they so offer the products. During the fiscal year under audit, USD #364 purchased \$397.35 from Ketch. Numerous products, including janitorial and office supplies, are offered by Kansans who are blind and severely disabled. The district has acknowledged purchases of similar products elsewhere.

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MARSHALL COUNTY, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

SUPPLEMENTAL INFORMATION

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

SCHEDULE 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

FUND GOVERNMENTAL TYPE FUNDS:	CERTIFIED BUDGET	ADJUSTMENT TO COMPLY WITH		ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	TOTAL BUDGET FOR COMPARISON	EXPENDITURES CHARGEABLE TO CURRENT YEAR	VARIANCE - OVER (UNDER)
		LEGAL MAX					
GENERAL	\$ 5,191,830.00	\$	(182,196.00)	\$ 88,633.46	\$ 5,098,267.46	\$	0.13
SUPPLEMENTAL GENERAL	1,773,555.00	(14,362.00)		0.00	1,759,193.00		0.00
SPECIAL REVENUE FUNDS:							
ADULT EDUCATION	734.00	0.00	0.00	0.00	734.00	733.66	0.34
AT RISK FUND (K-12)	519,500.00	0.00	0.00	0.00	519,500.00	475,486.75	44,013.25
CAPITAL OUTLAY	1,000,000.00	0.00	0.00	0.00	1,000,000.00	396,024.05	603,975.95
DRIVER TRAINING	36,460.00	0.00	0.00	0.00	36,460.00	8,458.23	28,001.77
FOOD SERVICE	600,000.00	0.00	0.00	3,068.52	603,068.52	511,957.96	91,110.56
PROFESSIONAL DEVELOPMENT	50,000.00	0.00	0.00	705.66	50,705.66	30,030.67	20,674.99
SPECIAL EDUCATION	1,746,675.00	0.00	0.00	0.00	1,746,675.00	1,457,830.81	288,844.19
VOCATIONAL EDUCATION	365,400.00	0.00	0.00	956.46	366,356.46	327,036.54	39,319.92
KPERS SPECIAL RETIREMENT CONTRIBUTION	659,709.00	0.00	0.00	0.00	659,709.00	632,540.26	27,168.74
AT RISK FUND (4 YR. OLD)	80,000.00	0.00	0.00	0.00	80,000.00	76,900.18	3,099.82
COOP SPECIAL EDUCATION	2,550,000.00	0.00	0.00	0.00	2,550,000.00	2,476,623.80	73,376.20
DEBT SERVICE:							
BOND AND INTEREST	0.00	0.00	0.00	0.00	0.00	0.00	0.00

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

UNIFIED SCHOOL DISTRICT NO. 364
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UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

SCHEDULE 2
PAGE 1 OF 16

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

GENERAL FUND	11-12 ACTUAL	11-12 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
TAXES AND SHARED REVENUE--			
AD VALOREM PROPERTY TAXES -2010	\$ 27,528.54	\$ 0.00	\$ 27,528.54
-2011	1,227,845.04	1,168,823.00	59,022.04
DELINQUENT PROPERTY TAX	4,153.23	19,352.00	(15,198.77)
TOTAL TAXES AND SHARED REVENUE	1,259,526.81	1,188,175.00	71,351.81
STATE SOURCES--			
GENERAL STATE AID	3,001,959.00	3,116,451.00	(114,492.00)
SPECIAL EDUCATION AID	745,793.00	887,204.00	(141,411.00)
TOTAL STATE SOURCES	3,747,752.00	4,003,655.00	(255,903.00)
FEDERAL SOURCES--			
EDUCATION JOBS FUND	2,355.00	0.00	2,355.00
REIMBURSEMENTS	88,633.46	0.00	88,633.46
TOTAL CASH RECEIPTS	5,098,267.27	\$ 5,191,830.00	\$ (93,562.73)
<u>EXPENDITURES</u>			
INSTRUCTION--			
SALARIES	568,796.80	\$ 882,088.00	\$ 313,291.20
EDUCATION JOBS GRANT SALARIES	2,355.00	0.00	(2,355.00)
EMPLOYEE BENEFITS	180,190.42	187,000.00	6,809.58
PURCHASED PROFESSIONAL & TECHNICAL SERVICES	8,536.46	6,250.00	(2,286.46)
OTHER PURCHASED SERVICES	0.00	550.00	550.00
SUPPLIES	35,153.28	37,650.00	2,496.72
OTHER	13,888.50	49,154.00	35,265.50
TOTAL INSTRUCTION	808,920.46	1,162,692.00	353,771.54
STUDENT SUPPORT SERVICES--			
SALARIES	86,778.01	115,000.00	28,221.99
EMPLOYEE BENEFITS	15,652.29	14,100.00	(1,552.29)
SUPPLIES	2,037.52	1,000.00	(1,037.52)
OTHER	672.44	600.00	(72.44)
TOTAL STUDENT SUPPORT SERVICES	105,140.26	130,700.00	25,559.74

UNIFIED SCHOOL DISTRICT NO. 364
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SCHEDULE 2
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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	11-12 ACTUAL	11-12 BUDGET	VARIANCE - OVER (UNDER)
GENERAL FUND (CONT.)			
<u>EXPENDITURES</u>			
INSTRUCTIONAL SUPPORT STAFF--			
SALARIES	\$ 206,894.55	\$ 194,000.00	\$ (12,894.55)
EMPLOYEE BENEFITS	45,708.84	43,200.00	(2,508.84)
SUPPLIES	33,097.83	0.00	(33,097.83)
	<u>285,701.22</u>	<u>237,200.00</u>	<u>(48,501.22)</u>
TOTAL INSTRUCTIONAL SUPPORT STAFF			
GENERAL ADMINISTRATION--			
SALARIES	183,045.33	122,000.00	(61,045.33)
EMPLOYEE BENEFITS	57,066.64	32,500.00	(24,566.64)
PURCHASED PROFESSIONAL & TECHNICAL SERVICES	12,866.56	13,100.00	233.44
OTHER PURCHASED SERVICES	7,212.19	7,800.00	587.81
SUPPLIES	1,087.87	3,000.00	1,912.13
OTHER	14,990.46	17,500.00	2,509.54
	<u>276,269.05</u>	<u>195,900.00</u>	<u>(80,369.05)</u>
TOTAL GENERAL ADMINISTRATION			
SCHOOL ADMINISTRATION--			
SALARIES	370,948.72	369,000.00	(1,948.72)
EMPLOYEE BENEFITS	71,724.42	90,500.00	18,775.58
OTHER PURCHASED SERVICES	2,510.49	3,050.00	539.51
	<u>445,183.63</u>	<u>462,550.00</u>	<u>17,366.37</u>
TOTAL SCHOOL ADMINISTRATION			
OPERATIONS AND MAINTENANCE--			
SALARIES	278,559.62	283,000.00	4,440.38
EMPLOYEE BENEFITS	87,609.17	80,600.00	(7,009.17)
PURCHASED PROFESSIONAL & TECHNICAL SERVICES	0.00	4,200.00	4,200.00
PURCHASED PROPERTY SERVICES	46,379.77	22,850.00	(23,529.77)
SUPPLIES	4,690.66	5,000.00	309.34
UTILITIES	15,752.20	21,972.00	6,219.80
	<u>432,991.42</u>	<u>417,622.00</u>	<u>(15,369.42)</u>
TOTAL OPERATIONS AND MAINTENANCE			

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
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SCHEDULE 2
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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	11-12 ACTUAL	11-12 BUDGET	VARIANCE - OVER (UNDER)
GENERAL FUND (CONT.)			
<u>EXPENDITURES</u>			
STUDENT TRANSPORTATION SERVICES--			
SUPERVISION - SALARIES	\$ 176,823.06	\$ 170,000.00	\$ (6,823.06)
- EMPLOYEE BENEFITS	58,407.30	70,400.00	11,992.70
VEHICLE OPERATING SERVICES - OTHER PURCH. SVCS.	594.00	7,000.00	6,406.00
- FUEL	68,133.09	67,000.00	(1,133.09)
- OTHER	30,026.83	33,500.00	3,473.17
TOTAL STUDENT TRANSPORTATION SERVICES	<u>333,984.28</u>	<u>347,900.00</u>	<u>13,915.72</u>
OTHER SUPPLEMENTAL SERVICES--			
SUPERVISION - SALARIES	0.00	60,000.00	60,000.00
- EMPLOYEE BENEFITS	0.00	22,100.00	22,100.00
TOTAL SUPPLEMENTAL SERVICES	<u>0.00</u>	<u>82,100.00</u>	<u>82,100.00</u>
STUDENT ACTIVITIES	<u>40,250.83</u>	<u>0.00</u>	<u>(40,250.83)</u>
OPERATING TRANSFERS--			
FOOD SERVICE	22,143.07	20,000.00	(2,143.07)
PROFESSIONAL DEVELOPMENT	29,325.01	20,000.00	(9,325.01)
AT RISK (K-12)	475,486.75	519,500.00	44,013.25
AT RISK (4 YR OLD)	76,166.52	79,266.00	3,099.48
SPECIAL EDUCATION	1,445,793.00	1,150,000.00	(295,793.00)
VOCATIONAL EDUCATION	320,911.83	366,400.00	45,488.17
TOTAL TRANSFERS	<u>2,369,826.18</u>	<u>2,155,166.00</u>	<u>(214,660.18)</u>
ADJUSTMENT TO COMPLY WITH LEGAL MAX	<u>0.00</u>	<u>(182,196.00)</u>	<u>(182,196.00)</u>
LEGAL GENERAL FUND BUDGET	<u>5,098,267.33</u>	<u>5,009,634.00</u>	<u>(88,633.33)</u>
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	<u>0.00</u>	<u>88,633.46</u>	<u>88,633.46</u>
TOTAL EXPENDITURES	<u>5,098,267.33</u>	<u>\$ 5,098,267.46</u>	<u>\$ 0.13</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(0.06)		
UNENCUMBERED CASH, JULY 1, 2011	<u>0.06</u>		
UNENCUMBERED CASH, JUNE 30, 2012	<u>\$ 0.00</u>		

UNIFIED SCHOOL DISTRICT NO. 364
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MARSHALL COUNTY, KANSAS

SCHEDULE 2
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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	11-12 ACTUAL	11-12 BUDGET	VARIANCE - OVER (UNDER)
SUPPLEMENTAL GENERAL			
<u>CASH RECEIPTS</u>			
AD VALOREM PROPERTY TAXES -2010	\$ 31,759.11	\$ 11,051.00	\$ 20,708.11
-2011	1,527,017.82	1,417,508.00	109,509.82
DELINQUENT PROPERTY TAX	6,443.43	20,502.00	(14,058.57)
MOTOR VEHICLE TAX	137,679.00	132,169.00	5,510.00
RECREATIONAL VEHICLE TAX	1,922.75	1,853.00	69.75
EXCISE TAX	192.10	0.00	192.10
GENERAL STATE AID	108,601.00	105,546.00	3,055.00
TOTAL CASH RECEIPTS	<u>1,813,615.21</u>	<u>\$ 1,688,629.00</u>	<u>\$ 124,986.21</u>
<u>EXPENDITURES</u>			
INSTRUCTION - SALARIES	1,224,965.07	\$ 1,142,505.00	\$ (82,460.07)
- EMPLOYEE BENEFITS	354,762.59	273,220.00	(81,542.59)
- OTHER PURCHASED SERVICES	17,975.47	0.00	(17,975.47)
- SUPPLIES	81,665.93	47,500.00	(34,165.93)
- PROPERTY (EQUIP. & FURN.)	1,420.49	0.00	(1,420.49)
- OTHER	2,153.07	3,500.00	1,346.93
OPER. & MAINT. - UTILITIES	50,735.26	141,022.00	90,286.74
OPER. & MAINT. (TRANSP.) - OTHER PURCHASED SVCS.	25,515.12	44,000.00	18,484.88
- SUPPLIES	0.00	65,000.00	65,000.00
VEHICLE OPER. SERVICES - OTHER PURCHASED SVCS.	0.00	56,808.00	56,808.00
ADJUSTMENT TO COMPLY WITH LEGAL MAX	0.00	(14,362.00)	(14,362.00)
TOTAL EXPENDITURES	<u>1,759,193.00</u>	<u>\$ 1,759,193.00</u>	<u>\$ (0.00)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	54,422.21		
UNENCUMBERED CASH, JULY 1, 2011	<u>84,925.69</u>		
UNENCUMBERED CASH, JUNE 30, 2012	<u>\$ 139,347.90</u>		

SCHEDULE 2
PAGE 5 OF 16

	11-12 ACTUAL	11-12 BUDGET	VARIANCE - OVER (UNDER)
AT RISK FUND (K-12)			
<u>CASH RECEIPTS</u>			
TRANSFER FROM GENERAL FUND	\$ 475,486.75	\$ 519,500.00	\$ (44,013.25)
<u>EXPENDITURES</u>			
INSTRUCTION - SALARIES	333,124.35	\$ 405,000.00	\$ 71,875.65
- EMPLOYEE BENEFITS	90,163.69	78,000.00	(12,163.69)
- SUPPLIES	32,553.53	34,000.00	1,446.47
INSTR. SUPPORT STAFF - SALARIES	17,319.97	0.00	(17,319.97)
- EMPLOYEE BENEFITS	1,236.26	0.00	(1,236.26)
- OTHER PURCHASED SERVICES	1,088.95	2,500.00	1,411.05
TOTAL EXPENDITURES	475,486.75	\$ 519,500.00	\$ 44,013.25
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2011	0.00		
UNENCUMBERED CASH, JUNE 30, 2012	\$ 0.00		
CAPITAL OUTLAY FUND			
<u>CASH RECEIPTS</u>			
AD VALOREM PROPERTY TAXES -2010	\$ 13,054.86	\$ 1,694.00	\$ 11,360.86
-2011	528,153.12	504,718.00	23,435.12
DELINQUENT PROPERTY TAX	2,056.45	8,384.00	(6,327.55)
MOTOR VEHICLE TAX	54,156.58	52,054.00	2,102.58
RECREATION VEHICLE TAX	760.10	730.00	30.10
EXCISE TAX	75.07	0.00	75.07
OTHER REVENUE FROM LOCAL SOURCES	3,494.00	0.00	3,494.00
TOTAL CASH RECEIPTS	601,750.18	\$ 567,580.00	\$ 34,170.18
<u>EXPENDITURES</u>			
INSTRUCTION - PROPERTY (EQUIP. & FURN.)	213,466.62	\$ 400,000.00	\$ 186,533.38
GENERAL ADMINISTRATION - PROP. (EQUIP. & FURN.)	248.90	3,000.00	2,751.10
SCHOOL ADMINISTRATION - PROP. (EQUIP. & FURN.)	98.99	2,000.00	1,901.01
OPERATIONS & MAINTENANCE - PROP. (EQUIP. & FURN.)	2,127.09	30,000.00	27,872.91
TRANSPORTATION - PROPERTY (EQUIP. & BUSES)	0.00	150,000.00	150,000.00
OTHER SUPPORT SERVICES - PROP. (EQUIP. & FURN.)	4,966.24	35,000.00	30,033.76
FACILITIES - ARCHITECTURAL & ENGINEERING SVCS.	0.00	50,000.00	50,000.00
- BUILDING IMPROVEMENTS	175,116.21	330,000.00	154,883.79
TOTAL EXPENDITURES	396,024.05	\$ 1,000,000.00	\$ 603,975.95
RECEIPTS OVER (UNDER) EXPENDITURES	205,726.13		
UNENCUMBERED CASH, JULY 1, 2011	581,176.65		
UNENCUMBERED CASH, JUNE 30, 2012	\$ 786,902.78		

UNIFIED SCHOOL DISTRICT NO. 364
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MARSHALL COUNTY, KANSAS

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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	11-12 ACTUAL	11-12 BUDGET	VARIANCE - OVER (UNDER)
DRIVER TRAINING FUND			
<u>CASH RECEIPTS</u>			
STATE OF KANSAS - STATE AID	\$ 3,666.00	\$ 3,182.00	\$ 484.00
STUDENT FEES	<u>66.00</u>	<u>12,594.00</u>	<u>(12,528.00)</u>
TOTAL CASH RECEIPTS	<u>3,732.00</u>	<u>\$ 15,776.00</u>	<u>\$ (12,044.00)</u>
<u>EXPENDITURES</u>			
INSTRUCTION - SALARIES	5,610.00	\$ 15,860.00	\$ 10,250.00
- EMPLOYEE BENEFITS	1,630.90	3,600.00	1,969.10
- SUPPLIES, MISC.	33.78	10,000.00	9,966.22
VEHICLE OPER. - RENTAL OF VEHICLES	0.00	5,000.00	5,000.00
- FUEL	<u>1,183.55</u>	<u>2,000.00</u>	<u>816.45</u>
TOTAL EXPENDITURES	<u>8,458.23</u>	<u>\$ 36,460.00</u>	<u>\$ 28,001.77</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(4,726.23)		
UNENCUMBERED CASH, JULY 1, 2011	<u>20,684.04</u>		
UNENCUMBERED CASH, JUNE 30, 2012	<u>\$ 15,957.81</u>		
 ADULT EDUCATION			
<u>CASH RECEIPTS</u>			
CLASS FEES	\$ <u>0.00</u>	\$ <u>0.00</u>	\$ <u>0.00</u>
<u>EXPENDITURES</u>			
INSTRUCTION - OTHER PURCHASED SERVICES	0.00	\$ 734.00	\$ 734.00
CLOSE BALANCE TO AT-RISK 4 YR. OLDS	<u>733.66</u>	<u>0.00</u>	<u>(733.66)</u>
TOTAL EXPENDITURES	<u>733.66</u>	<u>\$ 734.00</u>	<u>\$ 0.34</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(733.66)		
UNENCUMBERED CASH, JULY 1, 2011	<u>733.66</u>		
UNENCUMBERED CASH, JUNE 30, 2012	<u>\$ 0.00</u>		

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MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	11-12 ACTUAL	11-12 BUDGET	VARIANCE - OVER (UNDER)
FOOD SERVICE FUND			
<u>CASH RECEIPTS</u>			
STATE OF KANSAS - STATE AID	\$ 3,651.05	\$ 2,991.00	\$ 660.05
- FEDERAL AID	164,053.24	157,271.00	6,782.24
MEALS	293,190.72	292,769.00	421.72
TRANSFER FROM GENERAL FUND	22,143.07	20,000.00	2,143.07
INTEREST ON IDLE FUNDS	23,906.18	50,000.00	(26,093.82)
REIMBURSEMENTS	3,068.52	0.00	3,068.52
 TOTAL CASH RECEIPTS	 <u>510,012.78</u>	 <u>\$ 523,031.00</u>	 <u>\$ (13,018.22)</u>
<u>EXPENDITURES</u>			
FOOD SERVICE OPERATION - SALARIES	185,117.58	\$ 190,000.00	\$ 4,882.42
- EMPLOYEE BENEFITS	98,683.74	98,300.00	(383.74)
- FOOD & SUPPLIES	226,181.58	309,200.00	83,018.42
- PROP. (EQUIP. & FURN.)	1,575.06	500.00	(1,075.06)
- OTHER	400.00	2,000.00	1,600.00
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	0.00	3,068.52	3,068.52
 TOTAL EXPENDITURES	 <u>511,957.96</u>	 <u>\$ 603,068.52</u>	 <u>\$ 91,110.56</u>
 RECEIPTS OVER (UNDER) EXPENDITURES	 (1,945.18)		
 UNENCUMBERED CASH, JULY 1, 2011	 <u>76,968.51</u>		
 UNENCUMBERED CASH, JUNE 30, 2012	 <u>\$ 75,023.33</u>		

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	11-12 ACTUAL	11-12 BUDGET	VARIANCE - OVER (UNDER)
PROFESSIONAL DEVELOPMENT FUND			
<u>CASH RECEIPTS</u>			
TRANSFER FROM GENERAL FUND	\$ 29,325.01	\$ 20,000.00	\$ 9,325.01
REIMBURSEMENTS	<u>705.66</u>	<u>27,500.00</u>	<u>(26,794.34)</u>
TOTAL CASH RECEIPTS	<u>30,030.67</u>	<u>\$ 47,500.00</u>	<u>\$ (17,469.33)</u>
<u>EXPENDITURES</u>			
INSTR. SUPPORT - SALARIES	6,634.37	\$ 20,700.00	\$ 14,065.63
- EMPLOYEE BENEFITS	650.86	2,025.00	1,374.14
- PURCHASED PROF. & TECH SVCS.	20,547.33	6,000.00	(14,547.33)
- OTHER PURCHASED SERVICES	2,166.31	20,275.00	18,108.69
- SUPPLIES	31.80	1,000.00	968.20
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	<u>0.00</u>	<u>705.66</u>	<u>705.66</u>
TOTAL EXPENDITURES	<u>30,030.67</u>	<u>\$ 50,705.66</u>	<u>\$ 20,674.99</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2011	<u>2,500.00</u>		
UNENCUMBERED CASH, JUNE 30, 2012	<u>\$ 2,500.00</u>		

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	11-12 <u>ACTUAL</u>	11-12 <u>BUDGET</u>	VARIANCE - OVER (UNDER)
SPECIAL EDUCATION FUND			
<u>CASH RECEIPTS</u>			
TRANSFER FROM GENERAL FUND	\$ 1,445,793.00	\$ 1,150,000.00	\$ 295,793.00
MISCELLANEOUS REVENUE	<u>5,271.81</u>	<u>126,968.00</u>	<u>(121,696.19)</u>
TOTAL CASH RECEIPTS	<u>1,451,064.81</u>	<u>\$ 1,276,968.00</u>	<u>\$ 174,096.81</u>
<u>EXPENDITURES</u>			
TRANSFER TO COOP SPECIAL EDUCATION FUND	<u>1,457,830.81</u>	<u>\$ 1,746,675.00</u>	<u>\$ 288,844.19</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(6,766.00)		
UNENCUMBERED CASH, JULY 1, 2011	<u>469,707.06</u>		
UNENCUMBERED CASH, JUNE 30, 2012	<u>\$ 462,941.06</u>		
 AT RISK FUND (4 YR OLD)			
<u>CASH RECEIPTS</u>			
TRANSFER FROM GENERAL FUND	\$ 76,166.52	\$ 79,266.00	\$ (3,099.48)
OTHER REVENUE FROM LOCAL SOURCE	<u>733.66</u>	<u>734.00</u>	<u>(0.34)</u>
TOTAL CASH RECEIPTS	<u>76,900.18</u>	<u>\$ 80,000.00</u>	<u>\$ (3,099.82)</u>
<u>EXPENDITURES</u>			
INSTRUCTION - SALARIES	49,696.26	\$ 54,800.00	\$ 5,103.74
- EMPLOYEE BENEFITS	26,453.92	23,200.00	(3,253.92)
- SUPPLIES	0.00	500.00	500.00
INSTR. SUPP. STAFF - PURCHASED PROF. & TECH. SVCS.	<u>750.00</u>	<u>1,500.00</u>	<u>750.00</u>
TOTAL EXPENDITURES	<u>76,900.18</u>	<u>\$ 80,000.00</u>	<u>\$ 3,099.82</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2011	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2012	<u>\$ 0.00</u>		

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	11-12 ACTUAL	11-12 BUDGET	VARIANCE - OVER (UNDER)
VOCATIONAL EDUCATION FUND			
<u>CASH RECEIPTS</u>			
TRANSFER FROM GENERAL FUND	\$ 320,911.83	\$ 366,400.00	\$ (45,488.17)
REVENUES FROM LOCAL SOURCE	5,168.25	0.00	5,168.25
REIMBURSEMENTS	956.46	0.00	956.46
TOTAL CASH RECEIPTS	327,036.54	\$ 366,400.00	\$ (39,363.46)
<u>EXPENDITURES</u>			
INSTRUCTION			
- SALARIES	255,552.59	\$ 294,150.00	\$ 38,597.41
- EMPLOYEE BENEFITS	57,603.32	47,400.00	(10,203.32)
- PURCH. PROF. & TECH. SERVICES	726.84	2,450.00	1,723.16
- SUPPLIES	12,403.79	20,400.00	7,996.21
- PROPERTY (EQUIP. & FURN.)	0.00	1,000.00	1,000.00
- OTHER	750.00	0.00	(750.00)
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	0.00	956.46	956.46
TOTAL EXPENDITURES	327,036.54	\$ 366,356.46	\$ 39,319.92
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2011	0.00		
UNENCUMBERED CASH, JUNE 30, 2012	\$ 0.00		
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND			
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	\$ 632,540.26	\$ 659,709.00	\$ (27,168.74)
<u>EXPENDITURES</u>			
INSTRUCTION			
- EMPLOYEE BENEFITS	404,522.37	\$ 410,000.00	\$ 5,477.63
STUDENT SUPPORT			
- EMPLOYEE BENEFITS	23,968.85	30,000.00	6,031.15
INSTRUCT. SUPPORT			
- EMPLOYEE BENEFITS	27,386.10	35,000.00	7,613.90
GENERAL ADMIN.			
- EMPLOYEE BENEFITS	19,334.32	23,709.00	4,374.68
SCHOOL ADMIN.			
- EMPLOYEE BENEFITS	61,177.57	62,000.00	822.43
OTHER SUPPL. SVCS.			
- EMPLOYEE BENEFITS	9,257.42	10,000.00	742.58
OPERATIONS & MAINT.			
- EMPLOYEE BENEFITS	42,579.66	43,000.00	420.34
STUDENT TRAN. SVCS.			
- EMPLOYEE BENEFITS	21,055.97	22,000.00	944.03
FOOD SERVICE			
- EMPLOYEE BENEFITS	23,258.00	24,000.00	742.00
TOTAL EXPENDITURES	632,540.26	\$ 659,709.00	\$ 27,168.74
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2011	0.00		
UNENCUMBERED CASH, JUNE 30, 2012	\$ 0.00		

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	11-12 ACTUAL	11-12 BUDGET	VARIANCE - OVER (UNDER)
COOP SPECIAL EDUCATION FUND			
CASH RECEIPTS			
LOCAL SOURCES-PAYMENTS FROM OTHER DISTRICTS	\$ 713,362.83	\$ 2,112,000.00	\$ (1,398,637.17)
OTHER REVENUE FROM LOCAL SOURCES	998.79	5,000.00	(4,001.21)
TRANSFER FROM SPECIAL EDUCATION FUND	1,457,830.81	0.00	1,457,830.81
SEKESC - SPECTRA	22,103.37	33,000.00	(10,896.63)
TITLE VI-B GRANTS TO STATES	258,250.00	400,000.00	(141,750.00)
TITLE VI-B PRESCHOOL	9,676.00	0.00	9,676.00
TITLE VI-B TIP	14,402.00	0.00	14,402.00
TOTAL CASH RECEIPTS	2,476,623.80	\$ 2,550,000.00	\$ (73,376.20)
EXPENDITURES			
INSTRUCTION - SALARIES	1,579,424.45	\$ 1,572,198.00	\$ (7,226.45)
- EMPLOYEE BENEFITS	619,444.55	492,000.00	(127,444.55)
- PURCHASED PROF. & TECH. SVCS.	945.00	0.00	(945.00)
- OTHER PURCHASED SERVICES	37,320.70	157,352.00	120,031.30
- SUPPLIES	30,590.65	30,150.00	(440.65)
- PROPERTY (EQUIP. & FURN.)	2,993.49	15,000.00	12,006.51
- OTHER	7,372.00	0.00	(7,372.00)
STUD. SUPPORT SVC. - SALARIES	100,500.00	146,500.00	46,000.00
- EMPLOYEE BENEFITS	52,585.08	53,000.00	414.92
- SUPPLIES	6,689.99	2,000.00	(4,689.99)
INSTRUCT. SUPPORT - OTHER	4,125.00	0.00	(4,125.00)
GENERAL ADMIN. - SUPPLIES	993.78	3,000.00	2,006.22
SCHOOL ADMIN. - SALARIES	14,632.60	70,000.00	55,367.40
- EMPLOYEE BENEFITS	18,266.54	8,500.00	(9,766.54)
- OTHER PURCHASED SERVICES	739.97	0.00	(739.97)
VEHICLE OPER. SERV. - EMPLOYEE BENEFITS	0.00	300.00	300.00
TOTAL EXPENDITURES	2,476,623.80	\$ 2,550,000.00	\$ 73,376.20
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2011	0.00		
UNENCUMBERED CASH, JUNE 30, 2012	\$ 0.00		

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	11-12 ACTUAL	11-12 BUDGET	VARIANCE - OVER (UNDER)
BOND AND INTEREST FUND			
<u>CASH RECEIPTS</u>			
AD VALOREM PROPERTY TAX -2010	\$ 0.67	\$ 0.00	\$ 0.67
DELINQUENT PROPERTY TAX	<u>107.61</u>	<u>0.00</u>	<u>107.61</u>
TOTAL CASH RECEIPTS	<u>108.28</u>	<u>\$ 0.00</u>	<u>\$ 108.28</u>
<u>EXPENDITURES</u>			
PRINCIPAL	0.00	\$ 0.00	\$ 0.00
INTEREST	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL EXPENDITURES	<u>0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>
RECEIPTS OVER (UNDER) EXPENDITURES	108.28		
UNENCUMBERED CASH, JULY 1, 2011	<u>191,236.42</u>		
UNENCUMBERED CASH, JUNE 30, 2012	<u>\$ 191,344.70</u>		
 DEBT SERVICE FUND			
<u>CASH RECEIPTS</u>			
BANK OF KANSAS CITY	\$ 158,333.34		
UNITED STATES TREASURY INTEREST	<u>55,574.99</u>		
TOTAL CASH RECEIPTS	<u>213,908.33</u>		
<u>EXPENDITURES</u>			
PAYMENT TO UNITED BANK	<u>134,741.67</u>		
RECEIPTS OVER (UNDER) EXPENDITURES	79,166.66		
UNENCUMBERED CASH, JULY 1, 2011	<u>0.01</u>		
UNENCUMBERED CASH, JUNE 30, 2012	<u>\$ 79,166.67</u>		

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MARYSVILLE, KANSAS
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SCHEDULE 2
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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	CONTINGENCY RESERVE FUND	TEXTBOOK & STUDENT MATERIAL REVOLVING FUND	CAMP INVENTION
<u>CASH RECEIPTS</u>			
MISCELLANEOUS FEES & REIMBURSEMENTS	\$ 0.00	\$ 3,579.09	\$ 0.00
BOOK RENTAL FEES	0.00	39,091.88	0.00
DONATIONS	0.00	0.00	4,713.10
STUDENT FEES	0.00	0.00	3,736.70
	<u>0.00</u>	<u>42,670.97</u>	<u>8,449.80</u>
TOTAL CASH RECEIPTS	<u>0.00</u>	<u>42,670.97</u>	<u>8,449.80</u>
<u>EXPENDITURES</u>			
MATERIALS AND SUPPLIES	<u>0.00</u>	<u>44,556.02</u>	<u>8,804.00</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00	(1,885.05)	(354.20)
UNENCUMBERED CASH, JULY 1, 2011	<u>218,954.00</u>	<u>178,113.38</u>	<u>354.20</u>
UNENCUMBERED CASH, JUNE 30, 2012	\$ <u>218,954.00</u>	\$ <u>176,228.33</u>	\$ <u>(0.00)</u>

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SCHEDULE 2
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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	TITLE I FY 12	TITLE II - A FY12	SAFE & SUPPORTIVE SCHOOLS
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	\$ 129,146.00	\$ 33,788.00	\$ 2,334.00
MISCELLANEOUS INCOME	<u>0.00</u>	<u>0.00</u>	<u>243.92</u>
TOTAL CASH RECEIPTS	<u>129,146.00</u>	<u>33,788.00</u>	<u>2,577.92</u>
<u>EXPENDITURES</u>			
INSTRUCTION - SALARIES	102,000.00	32,142.00	0.00
- EMPLOYEE BENEFITS	27,142.32	0.00	0.00
- PURCHASED PROF. & TECH. SERVICES	0.00	1,646.00	0.00
- SUPPLIES	<u>3.68</u>	<u>0.00</u>	<u>2,277.92</u>
TOTAL EXPENDITURES	<u>129,146.00</u>	<u>33,788.00</u>	<u>2,277.92</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00	0.00	300.00
UNENCUMBERED CASH, JULY 1, 2011	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
UNENCUMBERED CASH, JUNE 30, 2012	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 300.00</u>

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
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SCHEDULE 2
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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>KIDS UNIVERSITY</u>	<u>WORKFORCE INVESTMENT ACT</u>	<u>CAPITAL IMPROVEMENT FUND</u>
<u>CASH RECEIPTS</u>			
STUDENT FEES	\$ 21,445.40	\$ 0.00	\$ 0.00
HEARTLAND WORKS	0.00	35,950.85	0.00
DIVIDENDS	0.00	0.00	16.71
	<hr/>	<hr/>	<hr/>
TOTAL CASH RECEIPTS	21,445.40	35,950.85	16.71
	<hr/>	<hr/>	<hr/>
<u>EXPENDITURES</u>			
INSTRUCTION - SALARIES	19,040.20	20,591.80	0.00
- EMPLOYEE BENEFITS	1,506.18	11,604.02	0.00
- OTHER PURCHASED SERVICES	0.00	2,557.41	0.00
- SUPPLIES	959.17	261.94	0.00
- UTILITIES	0.00	900.00	0.00
- PROPERTY (EQUIPMENT & FURN.)	0.00	35.88	0.00
- OTHER	12.00	0.00	0.00
ENERGY IMPROVEMENTS PAID TO TRANE U.S. INC.	0.00	0.00	627,089.13
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	21,517.55	35,950.85	627,089.13
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RECEIPTS OVER (UNDER) EXPENDITURES	(72.15)	0.00	(627,072.42)
	<hr/>	<hr/>	<hr/>
UNENCUMBERED CASH, JULY 1, 2011	17,202.67	0.00	627,072.52
	<hr/>	<hr/>	<hr/>
UNENCUMBERED CASH, JUNE 30, 2012	\$ 17,130.52	\$ 0.00	\$ 0.10
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MARYSVILLE, KANSAS
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SCHEDULE 2
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SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	GRANTS FUND	USD #364 SCHOLARSHIP FUND	HOMER HANSON STADIUM RENOVATION
<u>CASH RECEIPTS</u>			
STUDENT FEES	\$ 120.00	\$ 0.00	\$ 0.00
INTEREST INCOME	0.00	38.06	0.00
DONATIONS	9,300.00	800.00	105,691.00
	<u>9,420.00</u>	<u>838.06</u>	<u>105,691.00</u>
TOTAL CASH RECEIPTS	<u>9,420.00</u>	<u>838.06</u>	<u>105,691.00</u>
<u>EXPENDITURES</u>			
EMPLOYEE BENEFITS	299.76	0.00	0.00
SUPPLIES	4,578.56	0.00	0.00
GRANTS TO SCHOLARSHIP RECIPIENTS	0.00	700.00	0.00
STADIUM RENOVATIONS	0.00	0.00	7,287.55
	<u>4,878.32</u>	<u>700.00</u>	<u>7,287.55</u>
TOTAL EXPENDITURES	<u>4,878.32</u>	<u>700.00</u>	<u>7,287.55</u>
RECEIPTS OVER (UNDER) EXPENDITURES	4,541.68	138.06	98,403.45
UNENCUMBERED CASH, JULY 1, 2011	4,628.74	6,748.16	0.00
UNENCUMBERED CASH, JUNE 30, 2012	\$ <u>9,170.42</u>	\$ <u>6,886.22</u>	\$ <u>98,403.45</u>

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MARSHALL COUNTY, KANSAS

SCHEDULE 3

AGENCY FUNDS - SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	BEGINNING CASH BALANCE	CASH RECEIPTS	CASH DISBURSEMENTS	ENDING CASH BALANCE
STUDENT ORGANIZATION FUNDS				
MARYSVILLE JUNIOR-SENIOR HIGH SCHOOL:				
JOURNALISM CLUB	\$ 810.20	\$ 0.30	\$ 810.50	\$ 0.00
CLASS OF 2010	93.41	0.03	93.44	0.00
CLASS OF 2011	518.36	345.24	173.25	690.35
CLASS OF 2012	3,106.93	10.49	3,028.44	88.98
CLASS OF 2013	0.00	5,372.41	3,259.74	2,112.67
CLASS OF 2014	0.00	367.40	57.63	309.77
ANNUAL CLUB	3,487.91	16,446.28	15,372.33	4,561.86
ART CLUB	725.54	1,653.37	2,011.51	367.40
BAND CLUB	870.27	0.00	870.27	0.00
BASEBALL CLUB	915.42	0.00	915.42	0.00
BIOLOGY CLUB	370.17	177.12	52.00	495.29
BOY'S BASKETBALL CLUB	2,180.17	0.00	2,180.17	0.00
BULLDOG CLUB	16,127.43	0.00	16,127.43	0.00
FBLA	1,578.74	9,691.32	6,321.08	4,948.98
"C" TEAM	32.15	0.00	32.15	0.00
CHEERLEADERS	523.59	0.00	523.59	0.00
CROSS COUNTRY CLUB	991.33	0.00	991.33	0.00
DRAMA CLUB	946.51	3,451.24	3,068.74	1,329.01
FELLOWSHIP OF CHRISTIAN ATHLETES CLUB	176.04	0.00	176.04	0.00
FFA	10,970.95	39,859.41	46,566.29	4,264.07
FCCLA	13,465.42	32,163.29	33,661.20	11,967.51
GIRL'S BASKETBALL CLUB	268.11	0.00	268.11	0.00
GOLF CLUB	1,214.64	0.00	1,214.64	0.00
JUNIOR HIGH ANNUAL CLUB	840.98	948.09	897.03	892.04
JUNIOR HIGH STUDENT COUNCIL	1,856.30	1,468.59	1,998.02	1,326.87
JUNIOR HIGH WRESTLING	536.43	0.00	536.43	0.00
KSCFL	4,791.75	0.00	4,791.75	0.00
KAYS	833.64	1,460.45	1,394.44	899.65
LIFTERS CLUB	205.03	0.00	205.03	0.00
M-CLUB	2,986.22	5,158.40	2,681.39	5,463.23
MATMAIDS	396.13	163.08	0.00	559.21
NATIONAL HONOR SOCIETY CLUB	224.91	75.20	0.00	300.11
POPULAR MUSIC LAB	397.62	0.00	397.62	0.00
SCIENCE CLUB	194.58	0.00	194.58	0.00
PHYSICS CLUB	0.00	272.02	152.00	120.02
SCHOLARS BOWL CLUB	950.34	690.23	1,018.77	621.80
COURTESY FUND	83.15	0.00	83.15	0.00
SADD	167.78	258.09	180.10	245.77
SOFTBALL CLUB	73.58	0.00	73.58	0.00
SPANISH CLUB	54.69	78.00	14.02	118.67
STUDENT COUNCIL	6,769.60	13,266.57	14,720.70	5,315.47
TENNIS CLUB - GIRLS	1,092.14	0.00	1,092.14	0.00
TENNIS CLUB - BOYS	287.68	0.00	287.68	0.00
TRACK CLUB	92.37	0.00	92.37	0.00
VOCAL MUSIC CLUB	933.79	0.00	933.79	0.00
VIDEOGRAPHY CLUB	3,862.88	0.00	3,862.88	0.00
SOCIAL STUDIES CLUB	0.77	0.00	0.77	0.00
VOLLEYBALL CLUB	1,836.35	0.00	1,836.35	0.00
WRESTLING CLUB	9,182.68	0.00	9,182.68	0.00
SUBTOTAL ALL STUDENT ORGANIZATIONS	98,024.68	133,376.62	184,402.57	46,998.73
PAYROLL CLEARING				
INSUR. & CAFETERIA PLAN REIMBURSEMENTS	237,306.67	124,319.41	322,864.92	38,761.16
TOTAL AGENCY FUNDS	\$ 335,331.35	\$ 257,696.03	\$ 507,267.49	\$ 85,759.89

SEE THE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

SCHEDULE 4

DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

FUNDS	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELLED ENCUMBRANCES	CASH RECEIPTS	EXPENDITURES	ENDING UNENCUMBERED CASH BALANCE	ADD OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
GATE RECEIPTS							
MARYSVILLE JUNIOR-SENIOR HIGH SCHOOL:							
ATHLETICS	\$ 20,221.77	\$ 0.00	\$ 57,635.48	\$ 55,409.46	\$ 22,447.79	\$ 0.00	\$ 22,447.79
ACTIVITY TICKETS	2,323.62	0.00	9,294.00	6,919.63	4,697.99	0.00	4,697.99
SUBTOTAL GATE RECEIPTS	22,545.39	0.00	66,929.48	62,329.09	27,145.78	0.00	27,145.78
SCHOOL PROJECT FUNDS							
MARYSVILLE JUNIOR-SENIOR HIGH SCHOOL:							
ACCELERATED READER PROJECT	14.83	0.00	0.00	14.83	0.00	0.00	0.00
ATHLETICS/ACTIVITIES IMPROVEMENT	1,068.50	0.00	7,805.00	7,895.80	977.70	0.00	977.70
SPORTS CLUBS WITH NO OFFICERS	0.00	0.00	61,800.27	39,836.46	21,963.81	0.00	21,963.81
CHEERLEADERS	0.00	0.00	13,295.32	10,545.95	2,749.37	0.00	2,749.37
VOCAL MUSIC	0.00	0.00	4,977.97	4,344.87	633.10	0.00	633.10
KSCFL	0.00	0.00	9,436.23	7,356.74	2,079.49	0.00	2,079.49
VIDEOGRAPHY	0.00	0.00	4,605.32	1,160.61	3,444.71	0.00	3,444.71
POPULAR MUSIC LAB	0.00	0.00	495.42	69.00	426.42	0.00	426.42
SCIENCE CLUB	0.00	0.00	512.77	281.82	230.95	0.00	230.95
PHYSICS CLUB	0.00	0.00	1,001.76	752.77	248.99	0.00	248.99
BAND TRIP	0.00	0.00	321.05	21.84	299.21	0.00	299.21
BAND	0.00	0.00	4,840.22	3,034.91	1,805.31	0.00	1,805.31
BULLDOG CLUB	0.00	0.00	30,115.93	3,713.17	26,402.76	0.00	26,402.76
COURTESY FUND	0.00	0.00	902.15	620.11	282.04	0.00	282.04
HIGH SCHOOL IMPROVEMENT PROJECT	1,201.76	0.00	2,610.86	1,116.19	2,696.43	0.00	2,696.43
JUNIOR HIGH SCHOOL IMPROVEMENT PROJECT	750.75	0.00	398.05	608.90	539.90	0.00	539.90
JUNIOR HIGH SCHOOL WRESTLING	0.00	0.00	924.25	501.00	423.25	0.00	423.25
JUNIOR HIGH MUSICAL/Drama	589.28	0.00	0.00	0.00	589.28	0.00	589.28
LIBRARY FEES	612.54	0.00	2,360.71	1,177.03	1,795.82	0.00	1,795.82
MARSHALL COUNTY SPEECH EXPERIENCE	234.83	0.00	0.00	0.00	234.83	0.00	234.83
PEPSI	15,774.44	0.00	1,667.00	4,678.80	12,762.64	0.00	12,762.64
PHOTO SERVICES	3,063.06	0.00	7,823.00	7,903.20	2,982.86	0.00	2,982.86
SCHOOL SUPPLIES	591.63	0.00	100.00	0.00	691.63	0.00	691.63
STUDENT ACTIVITY PROJECTS	485.54	0.00	4,317.23	4,347.23	455.54	0.00	455.54
STUDENT REVOLVING FUND	180.00	0.00	22,527.85	22,527.85	180.00	0.00	180.00
YOGOWYPI	91.65	0.00	0.40	0.00	92.05	0.00	92.05
WRESTLING ROOM IMPROVEMENT	2,550.00	0.00	967.13	3,517.13	0.00	0.00	0.00
SUBTOTAL MARYSVILLE JR-SR HIGH SCHOOL	27,208.81	0.00	183,805.89	126,026.81	84,987.89	0.00	84,987.89
MARYSVILLE ELEMENTARY:							
BOOK FAIR/LIBRARY PROJECT	256.98	0.00	4,552.97	4,403.74	406.21	0.00	406.21
REFRESHMENTS PROJECT	1,669.54	0.00	319.54	561.84	1,427.24	0.00	1,427.24
DANKS	1,348.12	0.00	1,397.45	125.60	2,619.97	0.00	2,619.97
SCHOOL IMPROVEMENT PROJECT	4,057.78	0.00	54.66	338.69	3,773.75	0.00	3,773.75
EYE FUND	50.00	0.00	0.00	0.00	50.00	0.00	50.00
BUGS	36.65	0.00	0.00	0.00	36.65	0.00	36.65
MUSIC	172.06	0.00	568.00	632.55	107.51	0.00	107.51
STUDENT REVOLVING FUND	1,498.83	0.00	2,572.94	2,517.54	1,554.23	0.00	1,554.23
YEARBOOK PROJECT	2,629.29	0.00	3,712.87	2,560.62	3,681.54	0.00	3,681.54
THEME DAY	758.96	0.00	0.00	479.70	279.26	0.00	279.26
DONATION	810.97	0.00	5,038.98	1,187.18	4,662.77	0.00	4,662.77
LEARNING GARDEN	5,000.00	0.00	3,542.00	1,000.57	7,541.43	0.00	7,541.43
SUBTOTAL MARYSVILLE ELEMENTARY SCHOOL	18,189.18	0.00	21,759.41	13,808.03	26,140.56	0.00	26,140.56
SUBTOTAL ALL SCHOOL PROJECT FUNDS	45,397.99	0.00	205,565.30	139,834.84	111,128.45	0.00	111,128.45
TOTAL DISTRICT ACTIVITY FUNDS	\$ 67,943.38	\$ 0.00	\$ 272,494.78	\$ 202,163.93	\$ 138,274.23	\$ 0.00	\$ 138,274.23

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

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U.S.D. #364 FOUNDATION
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

SCHEDULE 5

COMPONENT UNIT (THE U.S.D. #364 FOUNDATION)
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

THE U.S.D. #364 FOUNDATION	11-12 <u>ACTUAL</u>
<u>CASH RECEIPTS</u>	
DONATIONS	\$ 5,703.42
INTEREST ON INVESTMENTS	<u>5,926.70</u>
TOTAL CASH RECEIPTS	<u>11,630.12</u>
 <u>EXPENDITURES</u>	
SCHOLARSHIPS	7,950.00
SCHOOL PROJECTS	<u>756.00</u>
TOTAL EXPENDITURES	<u>8,706.00</u>
 RECEIPTS OVER (UNDER) EXPENDITURES	2,924.12
 UNENCUMBERED CASH, JULY 1, 2011	<u>281,317.68</u>
UNENCUMBERED CASH, JUNE 30, 2012	<u>\$ 284,241.80</u>

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

SCHEDULE 6

COMPARISON OF DEPOSITORY SECURITY WITH FUNDS ON DEPOSIT
JUNE 30, 2012

	F.D.I.C. COVERAGE	SECURITY PLEDGED		TOTAL COVERAGE	FUNDS ON DEPOSIT 06-30-12	FUNDS AT RISK 06-30-12
		PAR VALUE	MARKET VALUE			
UNIFIED SCHOOL DISTRICT NO. 364 BANK						
UNITED BANK & TRUST, MARYSVILLE, KANSAS--						
DEMAND DEPOSITS						
TIME DEPOSITS	\$ 0.00				\$ 0.00	
	250,000.00				3,131,677.59	
SUBTOTAL	250,000.00	\$ 3,450,000.00	\$ 3,510,564.60	\$ 3,760,564.60	3,131,677.59	\$ 0.00
CITIZENS STATE BANK, MARYSVILLE, KANSAS--						
DEMAND DEPOSITS	79,166.67				79,166.67	
TIME DEPOSITS	6,586.22				6,586.22	
SUBTOTAL	85,752.89	30,356.35	31,457.71	117,210.60	85,752.89	0.00
TOTAL PRIMARY GOVERNMENT	335,752.89	3,480,356.35	3,542,022.31	3,877,775.20	3,217,430.48	0.00
COMPONENT UNIT - THE U.S.D. #364 FOUNDATION BANK						
CITIZENS STATE BANK, MARYSVILLE, KANSAS--						
DEMAND/TIME DEPOSITS	250,000.00	32,840.33	35,595.30	285,595.30	284,241.80	0.00
TOTAL CASH DEPOSITS OF REPORTING ENTITY	\$ 585,752.89	\$ 3,513,196.68	\$ 3,577,617.61	\$ 4,163,370.50	\$ 3,501,672.28	\$ 0.00

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

**INTERNAL CONTROL AND
COMPLIANCE INFORMATION**

KICKHAEFER & ASSOCIATE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Kenneth L. Kickhaefer, CPA

PO BOX 269, 1100 BROADWAY
MARYSVILLE, KS 66508-0269

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Education
Unified School District No. 364
Marysville, Kansas 66508

We have audited the financial statement of the governmental activities and the discretely presented component unit of Unified School District No. 364, Marysville, Kansas, as of and for the year ended June 30, 2012, which collectively comprise Unified School District No. 364's basic financial statement and have issued our report thereon, dated October 10, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit Guide*.

Internal Control over Financial Reporting

Management of Unified School District No. 364, Marysville, Kansas, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Unified School District No. 364, Marysville, Kansas' internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Unified School District No. 364, Marysville, Kansas' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Unified School District No. 364, Marysville, Kansas' internal control over financial reporting.

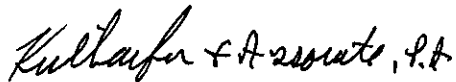
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Unified School District No. 364, Marysville, Kansas' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Education and management of the Unified School District No. 364, Marysville, Kansas, Federal awarding agencies and pass-through entities, the Kansas Department of Administration, Division of Accounts and Reports, and the Kansas Department of Education and is not intended to be and should not be used by anyone other than these specified parties.



Kickhaefer & Associate, P.A.

Marysville, Kansas

October 10, 2012

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

FEDERAL AWARD INFORMATION

KICKHAEFER & ASSOCIATE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Kenneth L. Kickhaefer, CPA

PO BOX 269, 1100 BROADWAY
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Education
Unified School District No. 364
Marysville, Kansas 66508

Compliance

We have audited the compliance of the Unified School District No. 364, Marysville, Kansas, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Unified School District No. 364, Marysville, Kansas' major federal programs for the year ended June 30, 2012. Unified School District No. 364, Marysville, Kansas' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Unified School District No. 364, Marysville, Kansas' management. Our responsibility is to express an opinion on Unified School District No. 364, Marysville, Kansas' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *Kansas Municipal Audit Guide*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Unified School District No. 364, Marysville, Kansas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Unified School District No. 364, Marysville, Kansas' compliance with those requirements.

In our opinion, Unified School District No. 364, Marysville, Kansas, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Other Matters

This report is replacing the previously issued report dated October 10, 2012. This report is being reissued due to the school district not qualifying as a low risk auditee for fiscal year June 30, 2012. The Title I Cluster was added to the major programs.

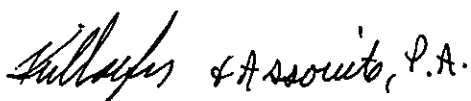
Internal Control over Compliance

The management of Unified School District No. 364, Marysville, Kansas, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Unified School District No. 364, Marysville, Kansas' internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Unified School District No. 364, Marysville, Kansas' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Education and management of the Unified School District No. 364, Marysville, Kansas, federal awarding agencies and pass-through entities, the Kansas Department of Administration, Division of Accounts and Reports, and the Kansas Department of Education and is not intended to be and should not be used by anyone other than these specified parties.



Kickhaefer & Associate, P.A.

Marysville, Kansas

January 9, 2013

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

PROGRAM TITLE	FEDERAL CFDA NUMBER	PROGRAM OR AWARD AMOUNT	BEGINNING BALANCE 07-01-11	RECEIPTS	EXPENDITURES	ENDING BALANCE 06-30-12
U.S. DEPT. OF EDUCATION:						
PASSED THROUGH PROGRAMS FROM:						
KANSAS DEPARTMENT OF EDUCATION:						
TITLE I CLUSTER TOTAL	84.010	\$ 129,146.00	\$ 0.00	\$ 129,146.00	\$ 129,146.00	\$ 0.00
TITLE II-A - IMPROVING TEACHER QUALITY	84.367	33,788.00	0.00	33,788.00	33,788.00	0.00
TITLE VI-B PRESCHOOL	84.173	9,676.00	0.00	9,676.00	9,676.00	0.00
TITLE VI-B GRANTS TO STATES	84.027	258,250.00	0.00	258,250.00	258,250.00	0.00
TITLE VI-B DISCRETIONARY SPEC. PROJECTS	84.027A	14,402.00	0.00	14,402.00	14,402.00	0.00
SPECIAL EDUCATION CLUSTER TOTAL				282,328.00	282,328.00	
SAFE & SUPPORTIVE SCHOOLS	84.184	2,334.00	0.00	2,334.00	2,334.00	0.00
CHARACTER EDUCATION INITIATIVE	84.215	4,433.94	0.00	4,433.94	4,433.94	0.00
YOUTH RISK BEHAVIOR SURVEY	93.938	235.00	0.00	235.00	235.00	0.00
EDUCATION JOBS FUND	84.41	2,355.00	0.00	2,355.00	2,355.00	0.00
NEMAH VALLEY USD #442:						
CARL PERKINS - CAREER AND TECHNICAL EDUCATION	84.048	7,005.03	0.00	7,005.03	7,005.03	0.00
TOTAL PASS-THROUGH PROGRAMS					461,624.97	
TOTAL U.S. DEPT. OF EDUCATION					461,624.97	
					(CONT.)	

SEE ACCOMPANYING NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

PROGRAM TITLE	FEDERAL CFDA NUMBER	PROGRAM OR AWARD AMOUNT	BEGINNING BALANCE 07-01-11	RECEIPTS	EXPENDITURES	ENDING BALANCE 06-30-12
U.S. DEPT. OF LABOR						
PASS THROUGH PROGRAM FROM:						
KANSAS DEPARTMENT OF COMMERCE:						
HEARTLAND WORKS, INC.:						
WORKFORCE INVESTMENT ACT	17.259	\$ 35,950.85	\$ 1,243.19	\$ 35,950.85	\$ 35,950.85	\$ 1,243.19
TOTAL U.S. DEPT. OF LABOR					<u>35,950.85</u>	
U.S. DEPT. OF AGRICULTURE						
PASS THROUGH PROGRAM FROM:						
KANSAS DEPARTMENT OF EDUCATION:						
SCHOOL BREAKFAST PROGRAM	10.553	31,973.77	0.00	31,973.77	31,973.77	0.00
SCHOOL LUNCH PROGRAM	10.555	131,518.21	0.00	131,518.21	131,518.21	0.00
SPECIAL MILK PROGRAM	10.556	741.26	0.00	741.26	741.26	0.00
TOTAL PASS THROUGH PROGRAMS					<u>164,233.24</u>	
TOTAL DEPT OF AGRICULTURE					<u>164,233.24</u>	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
PASS THROUGH PROGRAM FROM:						
SOUTHEAST KANSAS EDUC. SERVICE CENTER:						
MEDICAL ASSISTANCE PROGRAM	93.778	11,432.86	0.00	11,432.86	11,432.86	0.00
KANSAS DEPT. OF HEALTH AND ENVIRONMENT						
MEDICAL ASSISTANCE PROGRAM	93.778	12,499.51	0.00	12,499.51	12,499.51	0.00
TOTAL PASS THROUGH PROGRAMS					<u>23,932.37</u>	
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES					<u>23,932.37</u>	
TOTAL EXPENDITURES OF FEDERAL AWARDS					<u>\$ 685,741.43</u>	

SEE ACCOMPANYING NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2012

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Unified School District No. 364, Marysville, Kansas and is presented on a basis of accounting which demonstrates compliance with the cash basis and budget laws of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract.

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unqualified opinion on the Unified School District No. 364, Marysville, Kansas' financial statement under the statutory basis of accounting and an adverse opinion under GAAP.
2. No significant deficiencies relating to the audit of the financial statement are reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statement of Unified School District No. 364, Marysville, Kansas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No material weaknesses in internal control relating to the audit of the major federal award programs are reported in the Independent Auditors' Report of Compliance with Requirements that could have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Unified School District No. 364, Marysville, Kansas expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs for Unified School District No. 364, Marysville, Kansas, that are required to be reported under Section 510(a) of Circular A-133.
7. The major programs for Unified School District No. 364, Marysville, Kansas, were the Special Education Cluster Title VI - B, CFDA No. 84.027 and CFDA No. 84.173 and the Title I Cluster, CFDA #84.010. Both major programs are U.S. Department of Education programs.
8. The dollar threshold between Type A programs and Type B programs was \$300,000.
9. The Unified School District No. 364, Marysville, Kansas, did not qualify under Section 530 as a low-risk auditee and therefore was not eligible for reduced audit coverage in accordance with Section 520.

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

FINDINGS - FINANCIAL STATEMENT AUDIT

No findings were noted in the current fiscal year.

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS

No findings or questioned costs were noted in the current fiscal year.

There were no prior year major federal award program findings or questioned costs.

Note to the Schedule of Findings and Questioned Costs:

This Schedule was revised to show the Title I Cluster as an additional major program since the district no longer qualified as a low-risk auditee for fiscal year ended June 30, 2012. Additional compliance and internal control testing was done on the Title I monies and this schedule reflects that change.

UNIFIED SCHOOL DISTRICT NO. 364
MARYSVILLE, KANSAS
MARSHALL COUNTY, KANSAS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2012

FINDINGS – FINANCIAL STATEMENT AUDIT

2011-1

Condition: District has investments held in trust by the Bank of Kansas City and no accounting of these funds is shown in the district's fund accounting.

Recommendation: That the district set up two funds to show the activity of the investments in Bank of Kansas City along with the district's fund accounting.

Current Status: The district has set up the funds necessary to show the district activity in the investment accounts as was recommended.